

5. Rural development and network failures: insights from an Apulian LAG

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1. Introduction

The Leader programme was one of the most effective community initiatives promoted under the Structural Funds reform of 1988 (Ray 2000, p. 164). Given the success that characterized the three previous editions of the programme (Leader I, II and plus) and the emphasis placed on rural development in the “new” Common Agricultural Policy, it was appropriate, with effect from the 2007-13 planning period, that Leader should be integrated with the CAP. The declared aim was to expand the outreach of the planning from the bottom up by increasing the financial resources dedicated to it (mainstreaming), mandatorily allocating a share of the EAFRD not less than 5%.

With greater availability of resources, an increase in regional Local Action Groups (LAGs) became sustainable, albeit the importance generally attributed to these bodies in the area of public debate remained limited. Indeed these groups continued to be secondary institutional actors, even if an analysis of their experience offers highly significant evaluational elements, with regard both to the interpretation of rural development (lived out erroneously as a localistic variant of agricultural development), and to the verification of limits and of the new political mechanisms for controlling social processes, referred to commonly as governance. An exploration of the origins and the operation of LAGs could therefore provide an opportunity to go beyond the optimistic rhetoric they have attracted, by measuring the distance that separates the goals from the outcomes on the basis of actual performance. In this spirit,

accordingly, the present chapter offers an empirical study that would appear to confirm the improbable heterarchy in LAGs, as reflected by numerous clues pointing to the failure of the networks observed in the study. Implicit in the approach taken, however, is the conviction that only by starting from an analysis of the limits on the tools of governance will it be possible to organize a force for change capable of overcoming them.

Hence, starting from the theoretical template for the analysis of failure — or failures — of LAGs suggested in chapter 4, a brief methodological note will be followed by the analysis of an Apulian LAG, which in many ways provides a typical example of the point at issue. This LAG, in effect — as we will see — lends itself well to analyses and considerations regarding both the relationship between sectoral actions and rural development, and the difficulties in structuring a governance of rural development under political and institutional conditions in some ways less than favourable for an integrated, bottom-up management of decision-making processes.

2. Case-studying a LAG. Methodological clarifications

With the promotion and strengthening of the Leader approach in the context of the second pillar of the CAP (Leader mainstreaming), the experimental status of the three preceding editions was definitively superseded (Margarian, 2013, p. 8), and whilst this development is of interest (Mantino, 2008, pp. 168-173), much more important, it would seem, is the methodological and organizational dimension of the actions taken. In effect, any analysis requires knowledge of the methods by which the model is interpreted locally, and therefore a study of the natural parameters in the broad cultural sense, such as for example the real level of involvement and participation of the actors, the organization of governance and the meaning attributed to what is rural, from the perspective of bottom-up local development policies.

The idea of working on a case study was not a random notion. Indeed the aim of this contribution is to give “empirical importance” to that

picture of criticality identified by literature only in a too fragmentary and idealized manner.

From the 25 LAGs in Apulia, the selection fell on one specific group by virtue of three elements that make it particularly interesting. First, the participant municipalities express a strong identity-driven vocation, declaring their wish to be included in the same province in the event of the region undergoing an institutional reorganization. Second, the marked sensitivity of local administrations to forms of inter-municipal coordination, as witnessed by the establishment of an inter-municipal association in place of the LAG during a period when the group was left without public funding. Third, because it offers the possibility of exploring relations between LAG and Wide Area (see chapters 1 and 2), given that the territory of interest lies entirely within one single Wide Area.

The study focused primarily on the methods of organizing governance, and on the internal tensions generated by the opposing forces of (post-) modern drives toward rural development, and the sectoral resistances that are a legacy of the old CAP.

Nineteen figures were selected, each with different roles within and outside the LAG, but of equal importance with regard to the governance of the group¹¹, who took part in a corresponding number of in-depth interviews¹²; the transcriptions of these allowed a detailed analysis of the answers given by the interviewees, so that each passage could be correlated to one of the four significant themes identified in chapter 4 as indicators for the failure of LAGs, (governance, redundancy of tools and policy objectives, limits of participation, interpretation of rural development). The patterns identified in each case were duly coded and summarized in thematic structures, which in combination would enable the processing of superordinate arguments, presented in the following section as interconnected narrations.

¹¹ The interviewees represent the management of the LAG, the LAG's partners (both public and private), the stakeholders, the designers, the regional administration, and the Wide Area administration.

¹² The interviews were collected between 22 November 2012 and 14 November 2013.

The procedure followed was that of Interpretative Phenomenological Analysis (IPA) which, conventionally, envisages an inductive approach “[...] suitable for the development of complex and interrelated themes” (Convery et al., 2010) and able to provide an interpretation based on the perspective of local actors. In practice, IPA sets out to explore personal experience within the sphere of the phenomenon investigated, based on the perceptions of respondents rather than on their exact declarations (Smith and Osborne, 2008, p. 53). Whilst there is no presumption of validating the hypotheses associated with the theoretical picture presented in Chapter 4, the analysis allows interpretation of certain questions that it raises, and which effectively were encountered in the case study.

3. Empirical findings

As discernible from Chapter 4, the vocation of LAGs is to produce interactions of a heterarchical nature. Accordingly, the action of LAGs should focus exclusively on the search for governance solutions aimed at the sharing of local resources, defining the strategies and the tools best able to hold together the complexity of interests and ideas that are shared, or at any rate apparently represented, by public and private parties, within the scope of the partnership (Lizzi, 2009, p. 1). This conception of governance has certain implications for social actors, which include refraining from any attempt to engage in a unilateral reduction of complexity, a complete willingness and ability to keep learning, and a continuous exercise of thoughtfulness. On the organizational level, this approach to coordination calls for a network type of configuration. Drawing thus on references from certain contributions of broad political scope, such as those of Jessop (2006) and Schrank and Whitford (2011), Chapter 4 identifies various instances (hypothetical) of failure in the networked management of action plans, suggesting that among these cases there might be distinct exogenous factors (or factors of context) and factors within the actual governance, of which the topicalization emerging from the empirical study is summarized in table 1.

Table 1. Reasons of network failures: connection between theoretical factors (see chapter 4) and thematization of the case study.

Theoretical factors	Mode	Thematization of empirical analysis
Network asymmetry	Internal	Coalition balance/imbances of composition
Deliberative skills	External	Overlapping of instruments and aims (LAG, inter-municipal association, and Wide Area)
Programming constraints	External	
Lack of participation	Internal	Participation limits
Design inefficiency	Internal	
Conflicting policies	External	Rural development interpretation
Low awareness of rurality	External	

3.1. Composition of balances/imbances in the coalition

The empirical analysis shows with extreme clarity how problematic it can be to arrive at a composition of the LAG that will generate dynamics of interaction in which there are no asymmetries. Analysis of the interviews revealed five topical elements of significance:

a) presence of strong leadership in the public component. The leadership of one specific municipal administration would seem to derive from the elemental “entrenchment” of the LAG (Leader II) in the municipality. It is to this, in fact, that one can trace the original nucleus of the founders, who remained the absolute protagonists by virtue of their stubborn determination to keep the LAG alive during the period when it had been unable to benefit from European community funding (Leader+).

b) diffidence of the private component. From its very beginnings, the experience of the LAG was accompanied by indifference — often generated by a flawed understanding of rural development — or worse, by diffidence, on the part of the potential private component of the partnership. Consequently, the involvement of the private side was not spontaneous, but encouraged directly and informally by the LAG management, which above all targeted those parties most interested in the restricted grid of measures envisaged under the plan (tourism) and having the resources to cover the private cost of funding, to the extent that one of

the local administrators made this assertion on the subject: "[...] it is easier to contact the bigger entrepreneurs, because anyone prepared to invest will already be involved in significant business activity or property ownership. One thinks of farms, for example, or agricultural concerns of a certain size".

An approach of this kind, while open to various interpretations, would seem apparently to be determined by the planning constraints imposed on the Apulian LAGs, which have prevented them from responding to the needs considered by the territory as being most urgent, hence limiting the participation of a potentially wider range of players: "this is a territory that has a wealth of typical local products – says a representative of one of the private partners – and I think it would have been right to prioritize investment in the area of agrifood processing".

c) presence of vertical asymmetries. This refers in particular to relations with the Regional Authority. The LAG complains of a lop-sided and subordinate relationship with the central administration ("objectives are set by the Regional government", states the Chairman of the LAG, "which means we have only been able to consider planning proposals in line with those objectives"), a fact indeed acknowledged by the powers that be, who admit that policy is imposed on a top-down basis:

"[...] the process of development has not been left to free local initiative" confirms an official of the Apulia Region, "the role of LAGs has been scaled down to the simple management of predetermined goals, so that the less energetic of these groups can claim the excuse of being nothing more than local outlets for community funding."

d) hierarchization of decision-making procedures (horizontal asymmetries). According to various accounts, many LAG resolutions do nothing more, de facto, than ratify decisions taken previously by the Inter-municipal association (from which the LAG municipality of greatest importance in terms of population and land area is excluded). This dynamic configures a method of control over the process that is partial, frequently justified on the basis that it offers the more efficient option: "once all of the single questions within the Association have been sorted out", says the Technical and Administrative manager of the LAG, "the

agreement [concluded] can be presented to the LAG without any problem. Not that I mean this is [like] being one step ahead, but the process [of decision-making] is very fast". The Chairman sees it in the same way: "clearly, there is a certain amount of preparation. The Council simply takes stock of the situations. And it is this preparatory work that helps to smooth the path".

e) need for specific skills. The contribution of the various interviewees indicated a widespread awareness of the fact that specialist skills are needed for management of the LAG. Indeed several of them felt that the performance of the group could be improved through the organization of specialist sectors within the local administrations of the partnership. A higher level of skills could probably lead to increased participation in the activities of the LAG.

3.2. Limits of participation

Another aspect that appears just as dissatisfying is the quality of participatory processes, which typically are the essential element of organizations like the LAG.

From this standpoint, the interviews revealed three areas of criticality: i) the uncertain promotion of the participation; ii) the weak potential of the participatory process, and opportunistic patterns of conduct related to it iii) the widespread need for participation.

The first area of criticality comes from the lack of homogeneity in the judgement expressed by respondents on the participatory process stimulated by the LAG. Both the private component and local actors outside the LAG were somewhat severe on this topic, and their opinion was accompanied by the suspicion of a lack of impartiality when considering proposals received from circles extraneous to the world of agriculture: "I have never heard any discussion of topics concerned with craft trades", remarked an official of the Chamber of Commerce of the province; whilst the manager of a local cultural foundation noted that "[...] limiting the action of the LAG to agriculture-related sectors is restrictive. These sectors must certainly not be excluded, but neither must they be seen as the only ones [eligible]".

The management and the public component of the LAG on the other hand expressed satisfaction at the broad participation recorded during the preliminary stage of the LDP: "[...] when we held our meetings", says the LAG technical and administrative manager, "we never expected such a high level of participation. Everyone came!" And the mayor of one of the LAG municipalities adds: "[...] it was a job really well done, thanks especially to the commitment of the trade associations who know the territory best".

However, participation is regarded as a contingent process and, above all, something that can be delegated to an outside agent such as a planner. It is therefore no surprise that certain actors should have noted with interest the timid launch of nascent local networks, considered seemingly as anything but an obvious development. This is reflected in remarks by the chairman of an association promoting a local crop, which is among the private members of the LAG: "I think that the next step for the LAG [...] must be to network production activities in the territory. The process is under way, but still at the embryonic stage".

However, one private partner of the LAG involved in the catering sector points to instances of spontaneous cooperation between local operators:

[...] if I have a buffet to organize, for example, I go to farms in the area for my supplies. That way we get to know each other, and I can hope that sooner or later they will return the favour. [...]. The LAG should organize meetings and themed events with companies in the territory, rather than concentrate its promotional activity purely on the presentation of contract announcements or procedures for filling in funding applications.

The second area of criticality emerges from the general awareness that the potential benefits of participation are few. This perception derives from the externally-driven definition of the strategic goals, even if in the local context, groups may have been given the freedom of identifying the measures best suited to their own development plan. It would appear that participation, encouraged only in the initial stages of the planning process, is determined exclusively by the *quid pro quo* benefits foreseen in the evaluation of plans, pushing for the implementation of consultation

processes, which the promoters themselves see as being of little effect and essentially opportunistic. The thoughts of a consultancy project manager who oversaw the preparation of the LDP:

[...] the structuring of the questionnaire [designed to facilitate the participatory process and the identification of needs in the territory] was especially complex, given the constraints on measures, actions and beneficiaries imposed by the RDP. [...] We had to collect the requests of the participants, while also persuading them to define their expectations within the scope of the measures already established under the RDP.

As for the opportunistic motives of participation, the same interviewee recalls that

[...] this great effort at local promotion was planned together with the organizing committee since it would supposedly bring advantages in terms of evaluating the candidacy of the LAG, considering that additional points could be gained by implementing participatory actions.

In reality — as cautioned by the administrator of one of the LAG partner municipalities — “this is not participation, it is simulated participation. Tying participation to the contract announcement is not right [...] and LAGs should always promote initiatives referable to participation, irrespective of contracts”. In an organized context like the LAG, explicitly oriented toward the participatory management of development actions, the “culture of participation” therefore appears to present significant shortcomings.

It should be added that, according to various accounts, the promotion of participatory decision-making has been reduced to the minimum necessary, not only because it is considered superfluous, but also because it is seen as politically “dangerous”, given its capacity to undermine existing positions of consensus. On the basis of this interpretation, it was above all the political component of the partnership that supposedly produced “defensive reactions” against participation, intended to scale down its importance.

“For many [politicians], it [participation] is seen as a waste of time”, says an administrator of LAG municipalities who has had previous experience of participatory planning, “whereas others consider it an

original way of interacting with the local electorate, but only as long as there is consensus. When contestations begin, in effect, participation becomes much less interesting, especially for the participants.”

Participation however, even without decision-making capacity equal to the challenges, has been seen as a very important tool in rural development processes. The lack of codified procedures for participatory decision-making, on the other hand, is considered to be the most critical factor affecting the LAG under scrutiny. The need for engagement has often been addressed by adopting impromptu — and above all horizontal — forms of integration, independent of the LAG. “If there is some form of network”, states the owner of an LAG partner company, “I do not know about it. If we participate in networks, they are networks outside the LAG. Or networks created by someone personally”.

Failure to recognize the participatory process as the lifeblood of the LAG means that the professional skills one would expect to aid the process have been prevented from developing within the partnership. This state of affairs, however, has led to the cultivation of a tendentially passive attitude, limited to the demand for training services from the administration. As the Technical and administrative manager of the LAG acknowledges, “there are a few manuals by the private body that prepared the LDP to be found, that is to say, put out by them. But really, this manual ought to come from the Regional Authority, which should also monitor its effective implementation”.

3.3. Redundancy of inter-municipal coordination bodies and tools

As noted in chapter 3, the redundancy of coordination devices is one of the most obvious — if barely acknowledged — problems with the governance of development. In effect, the study recorded certain critical profiles that were traceable precisely to this chaotic proliferation of bodies. The findings revealed, in particular, three criticality profiles:

The substantially interchangeable nature of LAG and Inter-municipal Association.

As mentioned previously, the Association was set up to consolidate the partnership of seven municipalities, formed during a previous Leader

experience. Once the possibility of funding for the LAG had been restored, the Association should logically have ceased to be necessary, whereas in reality it was kept in place.

Competitive conflict between LAG and Wide Area.

The issue of overlap between LAG and Wide Area appears even more problematic. Elements of friction between the two bodies emerged when the LAG was marginalized during implementation of the Wide Area Strategic Plan. The accounts given by the interviewees suggest that this exclusion was connected with three circumstances: the power of the larger municipalities; the inability of administrators to draw on their experiences of association within the LAG; and finally, a latent competitiveness between urban and rural territory, deriving from the possibility open to rural parties of satisfying their demands through RDPs. Nonetheless, there were those who suggested that the exclusion was also self-inflicted, citing the low level of participation by the LAG during preparation of the Wide Area Strategy.

Influence of the scale of planning on process outcomes.

In a number of cases, the interviewees expressed their belief that the scale of the development actions represented a factor as decisive as it was problematic. In this instance, at all events, the criticalities do not refer to the LAG, since the scale of its actions is considered appropriate. According to some interviewees, the aspect seen as most problematic was the parcelling of actions under the Wide Area Strategy, which related almost exclusively to municipal infrastructures rather than local production activities.

3.4. Interpretation of rural development

One undeniably evident problem is the “cultural” picture that emerges abundantly from the accounts given by interviewees, of a latent and widespread uncertainty as to the object and the nature of rural development. This ranges between more or less explicit reference to the world of agriculture — seen mainly as the domain of land tenure, rather

than of agricultural concerns — and references to the world of economic and social interests tied to agriculture, in other words principally food production and tourism services.

Whilst the conception of ruralism underpinned by rural development actions has long been thoroughly disconnected from any direct reference to agriculture as such, the interviewees nevertheless hold on to the idea — whether out of interested and conscious perseverance, or due to a lack of understanding — that rural development remains a question concerning agriculture and its economic and social milieu. The study consequently revealed a significant level of impatience and frustration due to the fact that in the sphere of Leader measures, it was impossible to implement actions explicitly concerned with agricultural development:

“This territory is known for highly prized food products and I think it is on these that investment should have been focused”, says an official of the Association of artisans, “but on many occasions we have been confronted with initiatives that have actually excluded agrifood processing, because these would have attracted specific funding, which however would not meet the needs of local enterprises at all.

4. Conclusions

The case study presented shows clearly that there is a gap between the two theoretical “pillars” of LAGs — heterarchy and networkability — and the relational configuration observed on the basis of intrinsically historic and contextual conditions.

The main criticalities shown up by the study can be represented thematically, albeit purely by way of example, as an expression of questions having wider significance. Opportunistic modes of conduct, the creation of self-promotional mind-sets, and the multiplication and partial overlap of political-and-administrative domains with competence on widely assimilable questions, in effect, express not only a peculiarity of the specific experience analyzed, but a picture of criticality that is significantly widespread in Southern Italy.

Also discernible on this level, therefore, are tensions typical of the dialectic between territorialization and deterritorialization (see chapter 1). We are faced with a double bind. On the one hand, the expectation of an action rooted in the so-called territory, and on the other, the expectation that control of the action responds to criteria of governance alien to the political and administrative practices (based on patronage, family ties and in any event incapable of effectiveness and efficiency) that are in reality part and parcel of local history in these parts.

In any event, it is not possible to draw any conclusion, as such, from the findings of the study. What would seem to emerge, however, is that the history of community initiatives on rural development is still largely unfinished. Indeed it appears evident that the LEADER initiative, with its insistence on the centrality of governance, produced only a modest palliative, set against the “systemic” contradictions intrinsic to the development model actually pursued; contradictions of which an abiding North-South dualism could have been an aspect of by no means secondary importance.

